

**Supporting Statement for the
Recordkeeping and Reporting Requirements Associated with Regulation Y
(Capital Plans) (Reg Y-13; OMB No. 7100-0342)**

(Docket No. R-1425) (RIN 7100-AD77)

Summary

The Board of Governors of the Federal Reserve System, under delegated authority from the Office of Management and Budget (OMB), proposes to implement, the Recordkeeping and Reporting Requirements Associated with Regulation Y (Capital Plans) (Reg Y-13; OMB No. 7100-0342). Recent amendments to Regulation Y (12 CFR part 225) will require large bank holding companies (BHCs) to submit capital plans to the Federal Reserve on an annual basis and to require such BHCs to request prior approval from the Federal Reserve under certain circumstances before making a capital distribution.¹ Although there are additional data reporting requirements, there are no required reporting forms associated with this information collection. The Paperwork Reduction Act (PRA) classifies these requirements as an information collection and the PRA mandates, subsequent to implementation, the Federal Reserve to renew these requirements once every three years.

On December 1, 2011, the Federal Reserve published the Capital Plans notice of final rulemaking (final rule) in the *Federal Register* for public comment (76 FR 74631). The final rule revised the Board's Regulation Y. Under section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act or the Act), the Board is required to impose enhanced prudential standards on large BHCs, including stress testing requirements; enhanced capital, liquidity, and risk management requirements; and a requirement to establish a risk committee.² While the final rule is not mandated by the Dodd-Frank Act, the Board believes that it is appropriate to hold large BHCs to an elevated capital planning standard because of the elevated risk posed to the financial system by large BHCs and the importance of capital in mitigating these risks.

Under the PRA, the Federal Reserve accounts for the paperwork burden associated with Regulation Y for the BHCs supervised by the Federal Reserve that engage in the distribution of capital covered by Regulation Y and, therefore, are "respondents" under the PRA. The final rule applies to every top-tier BHC domiciled in the United States that has \$50 billion or more in total consolidated assets (large BHCs). As of September 30, 2011, there were approximately 34 large BHCs. The asset threshold of \$50 billion is consistent with the threshold established by section 165 of the Dodd-Frank Act relating to enhanced supervision and prudential standards for certain BHCs.³ The annual burden for the 34 BHCs is estimated to be 432,764 hours.

¹ Pub. L. No. 111-203, 124 Stat. 1376 (2010).

² See generally section 165 of Pub. L. No. 111-203, 124 Stat. 1376 (2010) (Dodd-Frank Act); 12 U.S.C. 5365.

³ The Federal Reserve received a comment suggesting that the \$50 billion asset threshold be measured over a four quarter period in order to minimize the likelihood that temporary asset fluctuations will trigger the rule's application. In response to this comment, the Federal Reserve amended the proposal to measure "total consolidated assets" as the average of a BHC's total consolidated assets over the previous four calendar quarters, as reflected on the BHC's

Background and Justification

During the years leading up to the recent financial crisis, many BHCs made significant distributions of capital, in the form of stock repurchases and dividends, without due consideration of the effects that a prolonged economic downturn could have on their capital adequacy and ability to continue to operate and remain credit intermediaries during times of economic and financial stress. The final rule addresses such practices, building upon the Federal Reserve's existing supervisory expectation that large BHCs have robust systems and processes that incorporate forward-looking projections of revenue and losses to monitor and maintain their internal capital adequacy.⁴

The Federal Reserve has long held the view that BHCs generally should operate with capital positions well above the minimum regulatory capital ratios, with the amount of capital held commensurate with the BHC's risk profile.⁵ The BHCs should have internal processes for assessing their capital adequacy that reflect a full understanding of their risks and ensure that they hold capital corresponding to those risks to maintain overall capital adequacy.⁶ The BHCs that are subject to the Board's advanced approaches risk-based capital requirements must satisfy specific requirements relating to their internal capital adequacy processes in order to use the advanced approaches to calculate their minimum risk-based capital requirements.⁷

The final rule is also consistent with the Federal Reserve's recent supervisory practice of requiring capital plans from large, complex BHCs. In 2009, the Federal Reserve conducted the Supervisory Capital Assessment Program (SCAP), a "stress test" of large, domestic BHCs. The SCAP was focused on identifying whether large BHCs had capital sufficient to weather a more-adverse-than-anticipated economic environment while maintaining their capacity to lend. The Federal Reserve required BHCs identified as having capital shortfalls to raise specific dollar amounts of capital within six months of the release of the SCAP results. The Department of the

Consolidated Financial Statements for Bank Holding Companies (FR Y-9C; OMB No. 7100-0128). This calculation will be effective as of the due date of the BHC's most recent FR Y-9C. The final rule also applies to any institution that the Board determines, by order, shall be subject in whole or in part to the rule's requirements based on the institution's size, level of complexity, risk profile, scope of operations, or financial condition. The final rule provides that a BHC that becomes subject to the final rule by operation of the asset threshold after the 5th of January of a calendar year will not be subject until January 1 of the next calendar year to the final rule's requirement to file a capital plan with the Federal Reserve, resubmit a capital plan under certain circumstances, or to obtain prior approval of capital distributions in excess of those described in the firm's capital plan.

⁴ See SR letter 09-4 (Revised March 27, 2009), [available at](http://www.federalreserve.gov/boarddocs/srletters/2009/SR0904.htm) <http://www.federalreserve.gov/boarddocs/srletters/2009/SR0904.htm>; see also Revised Temporary Addendum to SR letter 09-4 (November 17, 2010) (SR 09-04), [available at](http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20101117b1.pdf) <http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20101117b1.pdf>.

⁵ See 12 CFR part 225, Appendix A; see also SR letter 99-18 (July 1, 1999), [available at](http://www.federalreserve.gov/boarddocs/srletters/1999/SR9918.HTM) <http://www.federalreserve.gov/boarddocs/srletters/1999/SR9918.HTM>.

⁶ See SR letter 09-4 (Revised March 27, 2009), [available at](http://www.federalreserve.gov/boarddocs/srletters/2009/SR0904.htm) <http://www.federalreserve.gov/boarddocs/srletters/2009/SR0904.htm>.

⁷ See 12 CFR part 225, Appendix G, section 22(a); see also, Supervisory Guidance: Supervisory Review Process of Capital Adequacy (Pillar 2) Related to the Implementation of the Basel II Advanced Capital Framework, 73 FR 44620 (July 31, 2008).

Treasury established a government backstop available to BHCs unable to raise the required capital from private markets.⁸

In 2011, the Federal Reserve continued its supervisory evaluation of the resiliency and capital adequacy processes of the same BHCs (that participated in the SCAP) through the Comprehensive Capital Analysis and Review (CCAR). The CCAR involved the Federal Reserve's forward-looking evaluation of the internal capital planning processes of the BHCs and their anticipated capital actions in 2011, such as increasing dividend payments or repurchasing or redeeming stock.⁹ In the CCAR, the Federal Reserve evaluated whether these BHCs had satisfactory processes for identifying capital needs and held adequate capital to maintain ready access to funding, continue operations and meet their obligations to creditors and counterparties, and continue to serve as credit intermediaries, even under stressful conditions.

As part of their fiduciary responsibilities to a BHC, the board of directors and senior management bear the primary responsibility for developing, implementing, and monitoring a BHC's capital planning strategies and internal capital adequacy processes. The final rule does not diminish that responsibility. Rather, it is intended to (i) establish minimum supervisory standards for such strategies and processes for certain large BHCs; (ii) describe how boards of directors and senior management of these BHCs should communicate the strategies and processes, including any material changes thereto, to the Federal Reserve; and (iii) provide the Federal Reserve with an opportunity to review BHCs' capital distributions under certain circumstances. The final rule is designed to be flexible enough to accommodate BHCs of varying degrees of complexity and to adjust to changing conditions over time.

In the Board's view, the analytical techniques and other requirements set forth in the final rule are necessary to identify, measure, and monitor risks to the financial stability of the United States. An elevated capital planning standard for large BHCs is appropriate because of the heightened risk they pose to the financial system and the importance of capital in mitigating these risks. Under section 165 of the Dodd-Frank Act, the Board is required to impose enhanced prudential standards on large BHCs, including stress testing requirements; enhanced capital, leverage, liquidity, and risk management requirements; and a requirement to establish a risk committee. The Board expects that large BHCs will reflect these enhanced prudential standards, including the results of any required stress tests, in their capital planning strategies and internal capital adequacy processes.

The Dodd-Frank Act also requires the Board to implement early remediation requirements on large BHCs under which a large BHC experiencing financial distress must take specific remedial actions in order to minimize the probability that the BHC will become insolvent and minimize the potential harm of such insolvency to the United States. These early remediation requirements must impose limitations on capital distributions in the initial stages of financial decline and increase in stringency as the financial condition of the company declines.

⁸ See Board of Governors of the Federal Reserve System, The Supervisory Capital Assessment Program: Overview of Results (May 7, 2009), available at <http://www.federalreserve.gov/bankinforeg/bcreg20090507a1.pdf>.

⁹ See Board of Governors of the Federal Reserve System, Comprehensive Capital Analysis and Review: Objectives and Overview (March 18, 2010), available at <http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20110318a1.pdf>.

Depending on a large BHC's financial condition, early remediation requirements imposed under the Dodd-Frank Act may result in limitations on a BHC's capital distributions in addition to the requirements that are imposed by the final rule.

Description of Information Collection

The recordkeeping and reporting requirements are found in §§225.8(d), (e), and (f). The Federal Reserve believes that the requirements will help ensure that large BHCs have appropriate capital plans in place to address their capital adequacy and their ability to continue operating and to remain credit intermediaries during times of economic and financial stress. Compliance with the information collections is mandatory. No other federal law mandates these recordkeeping and reporting requirements.

General Requirements

Section 225.8(d)(1)(i) - This section requires a BHC to develop and maintain an initial capital plan. The level of detail and analysis expected in a capital plan will vary based on the BHC's size, complexity, risk profile, scope of operations, and the effectiveness of its processes for assessing capital adequacy.

The final rule defines a capital plan as a written presentation of a large BHC's capital planning strategies and capital adequacy process that includes certain mandatory elements. These mandatory elements are organized into four main components:

- An assessment of the expected uses and sources of capital over the planning horizon (at least nine quarters, beginning with the quarter preceding the quarter in which the BHC submits its capital plan) that reflects the BHC's size, complexity, risk profile, and scope of operations, assuming both expected and stressful conditions;
- A detailed description of the BHC's process for assessing capital adequacy;
- The BHC's capital policy; and
- A discussion of any expected changes to the BHC's business plan that are likely to have a material impact on the firm's capital adequacy or liquidity.

The mandatory elements under each component are described in section 225.8(d)(2).

Sections 225.8(d)(1)(ii) - This section requires a BHC to submit its complete capital plan to the appropriate Reserve Bank and the Board each year by the 5th of January, or such later date as directed by the appropriate Reserve Bank after consultation with the Board.

Section 225.8(d)(1)(iii) - This section requires the BHC's board of directors or a designated committee to review and approve the BHC's capital plan prior to its submission to the appropriate Federal Reserve Bank.

Section 225.8(d)(3) - In connection with submissions of capital plans to the Federal Reserve, BHCs will be required to provide certain data to the Federal Reserve, including:

- The BHC's financial condition, including its capital;

- The BHC's structure;
- Amount and risk characteristics of the BHC's on- and off-balance sheet exposures, including exposures within the BHC's trading account, other trading-related exposures (such as counterparty-credit risk exposures) or other items sensitive to changes in market factors, including, as appropriate, information about the sensitivity of positions to changes in market rates and prices;
- The BHC's relevant policies and procedures, including risk management policies and procedures;
- The BHC's liquidity profile and management; and
- Any other relevant qualitative or quantitative information requested by the Board or the appropriate Reserve Bank to facilitate review of the BHC's capital plan under this section.

Section 225.8(d)(4) - This section requires the BHC to update and resubmit its capital plan within 30 calendar days of the occurrence of certain events.

Review of Capital Plans by the Federal Reserve

Sections 225.8(e)(3) - Within 10 calendar days of receipt of a notice of objection by the Board of the BHC's capital plan, pursuant to section 225.8(e)(3), the BHC may submit a written request for reconsideration, including an explanation of why reconsideration should be granted.

Prior Approval Request Requirements

Sections 225.8(f)(1), (2), and (3) - In certain circumstances, large BHCs will be required, pursuant to section 225.8(f)(1), to obtain prior approval from the Federal Reserve before making capital distributions. The final rule provides an exception to the prior approval requirements section 225.8(f)(2) for an institution that is well capitalized and meets certain other requirements. As listed in section 225.8(f)(3), such an approval request will be required to contain the following information: the BHC's current capital plan or an attestation that there have been no changes to its current capital plan; the purpose of the transaction; a description of the capital action, including for redemptions or repurchases of securities, the gross consideration to be paid and the terms and sources of funding for the transaction, and for dividends, the amount of the dividend(s); and any additional information requested by the appropriate Reserve Bank or Board, which may include, among other information, an assessment of the BHC's capital adequacy under a revised stress scenario provided by the Federal Reserve, a revised capital plan, and supporting data.

Section 225.8(f)(5) - If the Federal Reserve disapproves of a BHC's capital distribution, under section 225.8(f)(5), the BHC within 10 calendar days of receipt of a notice of disapproval by the Board may submit a written request for a hearing.

Time Schedule for Information Collection

Information collection pursuant to the recordkeeping requirements is event-generated and must be maintained on sight. The reporting of an initial or resubmission of a revised capital plan, the submission of data pursuant to section 225.8(d)(3), and the submission of prior approval requests must be provided to the Federal Reserve within the time periods established by the regulation:

- **Sections 225.8(d)(1)(ii)** - This section requires a BHC to submit its complete capital plan to the appropriate Reserve Bank and the Board each year by the 5th of January, or such later date as directed by the appropriate Reserve Bank after consultation with the Board.
- **Section 225.8(d)(1)(iii)** - This section requires the BHC's board of directors or a designated committee to review and approve the BHC's capital plan prior to its submission to the appropriate Federal Reserve Bank.
- **Section 225.8(d)(3)** - This section requires BHCs to provide certain data to the Federal Reserve, upon the request of the Board or appropriate Reserve Bank.
- **Section 225.8(d)(4)** - This section requires the BHC to update and resubmit its capital plan within 30 calendar days of the occurrence of certain events.
- **Sections 225.8(e)(3)** - The BHC may submit a written request for reconsideration within 10 calendar days of receipt of a notice of objection by the Board of the BHC's capital plan.
- **Sections 225.8(f)(1)** - In certain circumstances, large BHCs will be required to obtain prior approval from the Federal Reserve before making capital distributions.
- **Section 225.8(f)(5)** - The BHC may submit a written request for a hearing within 10 calendar days of receipt of a notice of disapproval (of a capital plan) by the Board,.

Consultation Outside of the Agency and Discussion of Public Comments

On June 17, 2011, a notice of proposed rulemaking was published in the *Federal Register* (76 FR 35351) requesting comment on the implementation of the recordkeeping and reporting requirements for the Capital Plans. The comment period expired on August 5, 2011.

The Federal Reserve received 16 comment letters none specifically addressed the PRA analysis. Commenters included financial trade associations, BHCs, policy institutions, and individuals. Commenters generally expressed support of the proposed rule. Several commenters recommended one or more changes to specific provisions of the proposed rule. For instance, many commenters provided suggestions on the timeframe under which the Federal Reserve will review and act on a BHC's capital plan. Commenters asked for more information related to the data submissions that accompany the capital plan submission. In addition, many of the commenters asked for clarification on the content of the capital plans and provided views on the standards under which the Federal Reserve could object to capital plans. Other commenters provided suggestions on whether BHCs should be able to make capital distributions not specified in their capital plans without providing prior notice to the Federal Reserve and how such a standard should be crafted. In addition, three commenters raised issues that will be relevant to

savings and loan holding companies should the final rule's requirements extend to these institutions at a future date. In developing this final rule, the Board has carefully considered the comments received on the proposed rule. In response to these comments, the Board has clarified the requirements of the rule and modified the proposed rule in certain respects. For example, the Board:

- Clarified in the preamble that a notice of a non-objection to a capital plan will extend through the first quarter of the subsequent year;
- Clarified in the preamble that large BHCs will remain subject to SR letter 09-4, which provides guidance regarding capital distributions;
- Revised the final rule to provide that, if the Federal Reserve objects to a BHC's capital plan, the BHC may not make any capital distribution (other than a capital distribution with respect to which the Federal Reserve did not object) until such time as the Federal Reserve issues a non-objection to the BHC's capital plan; and
- Added a limited exception that permits well capitalized large BHCs that are performing in accordance with baseline projections to make modest capital distributions in excess of the amount described in the BHC's capital plan under certain circumstances.

In addition, in response to commenters' requests for additional guidance on the nature and scope of the data requirements (as required by section 225.8(d)(3)(i)-(vi)), that data templates be provided at the time that the final rule becomes effective, and that the Federal Reserve be mindful to avoid duplicative data requests the Federal Reserve published a separate final information collection notice in the *Federal Register* that clarified the nature and scope of the data requirements, including the data templates. In doing so, the Federal Reserve transferred the majority of the burden for the data reporting requirements found in 225.8(d)(3) to the Capital Assessments and Stress Testing (FR Y-14A/Q; OMB No. 7100-0341) information collection.

Aside from the transfer of the majority of the data reporting requirements found in section 225.8(d)(3)(i)-(vi) and the change of the prior notice requirement to a prior approval request found in sections 225.8(f)(1), (2), and (3), the paperwork requirements are largely being implemented as proposed.

The entire discussion addressing all comment letters received is available in the Capital Plans final rulemaking. After assessing the public comment letters, a press release was published on November 22, 2011, announcing the launch of the 2012 CCAR review,¹⁰ the implementation of the Capital Plans information collection (Reg Y-13), and the implementation of the FR Y-14A/Q information collection. The press release included links to the FR Y-14A/Q *Federal Register* notice (76 FR 73634), the Capital Plans final rulemaking (76 FR 74631), a Frequently Asked Questions document, and instructions.

Sensitive Questions

This information collection contains no questions of a sensitive nature, as defined by OMB guidelines.

¹⁰ The press release and attachments are available on the Board's public website: <http://www.federalreserve.gov/newsevents/press/bcreg/20111122a.htm>

Legal Status

The Board's Legal Division has determined that Section 616(a) of the Dodd-Frank Act amended section 5(b) of the Bank Holding Company Act (BHC Act) (12 U.S.C. § 1844(b)) to specifically authorize the Board to issue regulations and orders relating to capital requirements for BHCs. The Board is also authorized to collect and require reports from BHCs pursuant to section 5(c) of the BHC Act (12 U.S.C. § 1844(c)). Additionally, the Board's rulemaking authority for the information collection and disclosure requirements associated with the Reg Y-13 is found in sections 908 and 910 of the International Lending Supervision Act, as amended (12 U.S.C. §§ 3907 and 3909). Additional support for Reg Y-13 is found in sections 165 and 166 of the Dodd-Frank Act (12 U.S.C. §§ 5365 and 5366).¹¹

The capital plan information submitted by the covered BHC will consist of confidential and proprietary modeling information and highly sensitive business plans, such as acquisition plans submitted to the Federal Reserve for approval. Therefore, it appears the information will be subject to withholding under exemption 4 of the Freedom of Information Act (5 U.S.C. §552(b)(4)).

Estimate of Respondent Burden

The estimated total annual burden for the recordkeeping and reporting requirements of this information collection is 432,764 hours, as shown in the table below. The final rule will apply to every top-tier BHC domiciled in the United States with \$50 billion or more in average total consolidated assets.¹² As of September 30, 2011, 34 BHCs will be required to comply with the approved information collection.

The Federal Reserve estimates that each BHC will take, on average, 12,000 hours to comply with the section 225.8(d)(1)(i) recordkeeping requirement to develop and maintain the capital plan and with the section 225.8(d)(1)(ii) reporting requirement to submit the capital plan. The burden for these requirements is estimated to be 408,000 hours, which includes the one-time implementation burden for development of an initial capital plan.

The Federal Reserve estimates that the board of directors or a designated committee of each BHC will take, on average, 100 hours annually to comply with the section 225.8(d)(1)(iii) recordkeeping requirement to review and approve its capital plan and to correct any deficiencies with the capital plan. The annual burden for this recordkeeping requirement is estimated to be 3,400 hours.

¹¹ Section 165 requires the Board to impose enhanced prudential standards on large BHCs, including stress testing requirements; enhanced capital, liquidity, and risk management requirements; and a requirement to establish a risk committee. Section 166 requires the Board to impose early remediation requirements on large BHCs under which a large BHC experiencing financial distress must take specific remedial actions in order to minimize the probability that the company will become insolvent and to minimize the potential harm of such insolvency to the United States.

¹² The final rule also will apply to any institution that the Board has determined, by order, shall be subject in whole or in part to the proposed rule's requirements based on the institution's size, level of complexity, risk profile, scope of operations, or financial condition.

The Federal Reserve estimates that the 19 CCAR BHCs will take, on average, 100 hours annually to comply with the section 225.8(d)(3) reporting requirement to provide additional data to the Federal Reserve in connection with the submission of capital plans. Further, the Federal Reserve estimates that the 15 non-CCAR BHCs will take, on average, 1,000 hours annually to comply with the section 225.8(d)(3) reporting requirement. The annual burden for these reporting requirements is estimated to be 16,900 hours.

Upon written request from the Federal Reserve, each BHC will be required to revise and resubmit its capital plan to the Federal Reserve. It is estimated that 10 BHCs will be requested to provide revised capital plans. The Federal Reserve estimates that it will take this subset of BHCs, on average, 100 hours to comply with the section 225.8(d)(4) reporting requirements to revise and resubmit their capital plans. Of the 10 BHCs, it is estimated that 2 will provide written request for reconsideration regarding the disapproval of its capital plan. These BHCs will take, on average, 16 hours to comply with the section 225.8(e)(3) reporting requirement. The annual burden for these reporting requirements is estimated to be 1,032 hours.

Each BHC will be required to request prior approval before giving capital distributions. The 34 BHCs will take, on average, 100 hours to comply with the sections 225.8(f)(1), (2), and (3) reporting requirements. Of the 34 BHCs, it is estimated that 2 will provide written request for a hearing regarding the disapproval of its prior approval. The 2 BHCs will take, on average, 16 hours to comply with the section 225.8(f)(5) reporting requirement. The annual burden for these reporting requirements is estimated to be 3,432 hours.

These Regulation Y recordkeeping and reporting requirements represent 3.75 percent of total Federal Reserve System paperwork burden. The total cost to the public is estimated to be \$21,724,753.¹³

¹³ Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rate (10% Office & Administrative Support @ \$16, 65% Financial Managers @ \$50, 15% Legal Counsel @ \$54, and 10% Chief Executives @ \$80). Hourly rate for each occupational group are the median hourly wages (rounded up) from the Bureau of Labor and Statistics (BLS), *Occupational Employment and Wages 2010*, www.bls.gov/news.release/ocwage.nr0.htm. Occupations are defined using the BLS Occupational Classification System, www.bls.gov/soc/.

		<i>Number of respondents¹⁴</i>	<i>Estimated annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
§225.8(d)(1), Annual capital planning					
§225.8(d)(1)(i)	<i>Recordkeeping</i>	34	1	11,920	405,280
§225.8(d)(1)(ii)	<i>Reporting</i>	34	1	80	2,720
§225.8(d)(1)(iii)	<i>Recordkeeping</i>	34	1	100	3,400
§225.8(d)(3), Data collections					
§225.8(d)(3)(i)-(vi)					
	<i>CCAR BHCs Reporting</i>	19	1	100	1,900
	<i>Non-CCAR BHCs Reporting</i>	15	1	1,000	15,000
§225.8(d)(4)	<i>Reporting</i>	10	1	100	1,000
§225.8(e), Review of capital plans by the Federal Reserve					
§225.8(e)(3)	<i>Reporting</i>	2	1	16	32
§225.8(f), Prior approval request requirements					
§225.8(f)(1), (2), and (3)	<i>Reporting</i>	34	1	100	3,400
§225.8(f)(5)	<i>Reporting</i>	2	1	16	32
Total					432,764

Estimate of Cost to the Federal Reserve System

The cost to the Federal Reserve System for the reporting requirements associated with the Reg Y-13 information collection is estimated to be \$106,400. This is equivalent to one full time employee on an annual basis. The other capital plan requirements, associated with the Reg Y-13, have been integrated into the Federal Reserve's existing supervisory process.

¹⁴ None of the respondents required to comply with the rule are small entities as defined by the Small Business Administration (i.e., entities with less than \$175 million in total assets) www.sba.gov/contractingopportunities/officials/size/table/index.html.